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7 Attorneys for Debtor

10 IN THE UNITED STATES BANKRUPTCY COURT

11 FOR THE DISTRICT OF OREGON

12 In re

13 Arlie & Company,

14 Debtor.

Case No. 10-60244-aer11

**DEBTOR'S OBJECTION TO
GUARANTORS' AND
SHAREHOLDER'S MOTION FOR
EXTENSION OF TIME TO FILE
AMENDED DISCLOSURE
STATEMENT AND AMENDED
PLAN OF REORGANIZATION
[Docket No. 249]**

18 Debtor objects to the Guarantors' and Shareholder's request that the Court
19 enter an order extending the date by which Debtor must file an Amended Disclosure
20 Statement and Amended Plan of Reorganization to November 15, 2010 for the following
21 reasons:

22 1. Debtor and Umpqua Bank ("Umpqua") have reached an agreement
23 relating to the treatment of Umpqua's claims in Debtor's Amended Plan of Reorganization.
24 The agreement contemplates, among other things, that the effective date of the plan will be
25 February 1, 2011 and that the execution by the Guarantors of a reaffirmation agreement is a
26 condition to the occurrence of the effective date. A draft reaffirmation agreement has been

1 provided to Guarantors, and Guarantors will have over four months to evaluate their rights
2 and obligations with respect thereto.

3 2. Because of the agreement on Umpqua's treatment, Debtor will not seek
4 any additional discovery from Umpqua. Debtor does not believe that Guarantors have any
5 standing to seek additional discovery from Umpqua.

6 3. It is in the best interests of Debtor, its estate, and its creditors and
7 equity holders that its Amended Plan of Reorganization and Amended Disclosure Statement
8 be filed on or before October 15, 2010, and that the Plan have an effective date not later than
9 February 1, 2011.

10 DATED this 15th day of September, 2010.

11 TONKON TORP LLP

12
13 By /s/ Albert N. Kennedy

14 Albert N. Kennedy, OSB No. 821429
15 Michael W. Fletcher, OSB No. 010448
16 Attorneys for Debtor
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CERTIFICATE of SERVICE

I hereby certify that I served the foregoing DEBTOR'S OBJECTION TO GUARANTORS' AND SHAREHOLDER'S MOTION FOR EXTENSION OF TIME TO FILE AMENDED DISCLOSURE STATEMENT AND AMENDED PLAN OF REORGANIZATION on the parties indicated as "ECF" on the attached List of Interested Parties by electronic means through the Court's Case Management/Electronic Case File system on the date set forth below.

In addition, I served the foregoing on the parties indicated as "Non-ECF" on the attached List of Interested Parties by mailing a copy thereof in a sealed, first-class postage prepaid envelope, addressed to each party's last-known address and depositing in the U.S. mail at Portland, Oregon on the date set forth below.

DATED this 15th day of September, 2010.

TONKON TORP LLP

By /s/ Albert N. Kennedy

Albert N. Kennedy, OSB No. 821429

Michael W. Fletcher, OSB No. 010448

Attorneys for Debtor

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LIST OF INTERESTED PARTIES

In re Arlie & Company
U.S. Bankruptcy Court Case No. 10-60244-aer11

ECF PARTICIPANTS:

- John D. Albert (for Siuslaw Bank) darlene@albertandtweet.com, beth@albertandtweet.com
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